

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6142**

**BILL NUMBER:** HB 1017

**NOTE PREPARED:** Apr 8, 2013

**BILL AMENDED:** Apr 4, 2013

**SUBJECT:** Farm Wineries.

**FIRST AUTHOR:** Rep. Koch

**FIRST SPONSOR:** Sen. Alting

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill urges the Legislative Council to create an interim study committee or assign an existing interim study committee to study issues surrounding whether holders of farm winery permits should be entitled to sell wine directly to wine retailers and dealers.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** (Revised) The Legislative Council could assign the topic to an existing interim study committee or establish a new interim study committee to study this topic during the 2013 interim. If the Legislative Council were to assign this topic to an existing committee and the committee were to have any extra meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget. Interim study committees operate on budgets established by the Legislative Council based on committee size. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members and \$16,500 for committees with 16 members or more.

The committee would study the following:

1. Whether holders of farm winery permits should be entitled to sell wine to wine retailers and dealers.
2. Current options that Indiana farm wineries have in getting their products to Indiana retailers.
3. The cost and effectiveness of these options for Indiana alcoholic beverage manufacturers, distributors, and retailers.
4. The effect that allowing Indiana farm wineries to sell directly to retailers and dealers would have on (a) the

efficiency of collecting wine excise tax and (b) out-of-state wineries.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** General Assembly.

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Lauren Sewell, 317-232-9586.